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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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Charles P. Schmal, Esq.
Woodard, Emhardt, Naughton, Moriarty and McNett
Bank One Center/Tower
111 Monument Circle, Suite 3700
Indianapolis, IN 46204-5137

EXAMINER

COSIMANO, EDWARD R

ART UNIT

PAPER NUMBER

3629

DATE MAILED: 04/16/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/084,777

Applicant(s)

EGLIN ET AL.

Examiner

Edward R. Cosimano

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 2/27/02 & 9/23/02.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-109 is/are pending in the application.
- 4a) Of the above claim(s) none is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-8, 15-18, 21-40, 42-59, 72-86, 89-96 and 98-109 is/are rejected.
- 7) ☒ Claim(s) 9-14, 19, 20, 41, 60-71, 87, 88 and 97 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 23 September 2002 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.
- 14) ☒ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 5-8.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). _____.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: _____.

1. Applicant should note the changes to patent practice and procedure:

A) effective December 01, 1997 as published in the Federal Register, Vol 62, No. 197, Friday October 10, 1997; and

B) effective November 07, 2000 as published in the Federal Register, Vol 65, No. 54603, September 08, 2000.

2. The drawings are objected to because

A) the following errors have been noted in the drawings:

(1) the drawings lack fig. E as described in the brief description of the drawings at page 7, lines 3-4, as amended September 23, 2002, "FIGS. 30A-E show a diagrammatic view of data flow between database servlets in the FIG. 2 system."

(2) The drawings are objected to as failing to comply with 37 CFR § 1.84(p)(5) because they do not include the following reference sign(s) mentioned in the description:

(a) 408 of fig. 4 as fig. 4 is described in the paragraphs:

(1) at page 27, lines 1-15, "A technique for dynamic ... 400 in FIG. 4 ... 204 sends a main web page to the client 108.";

(2) between page 34, line 22, and page 36, line 4, "In stage 404 (FIG. 4), the user ... queries the database 225 store in memory 112."; and

(3) between page 39, line 3, and page 41, line 2, "To receive a dynamic price ... without being charged again for the item.";

(b) 1734 of fig. 17 in the paragraph between page 36, line 5, and page 37, line 2, "An example of a search ... selecting link 1732, the user can purchase and download the work.";

(c) 2302 of fig. 23 in the paragraph between page 38, line 8, and page 39, line 2, "As depicted in FIG. 23 ... similar hierarchical page formats for accessing content."; and

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(d) 2718 of fig. 27 in the paragraph between page 56, line 22, and page 57, line 21, "When in stage 2710 ... based on a different demand curve."

(3) the drawings lack fig. E as described in the paragraph at page 64, lines 7-12, as amended September 23, 2002, "As shown in FIGS. 30A-E, each ... arrow 3008, can be returned to servlet 3002."

2.1 A proposed drawing correction or corrected drawings are required in reply to the Office action to avoid abandonment of the application. The objection to the drawings will not be held in abeyance.

2.2 Applicant is required to submit a proposed drawing correction in reply to this Office action. However, formal correction of the noted defect may be deferred until after the examiner has considered the proposed drawing correction. Failure to timely submit the proposed drawing correction will result in the abandonment of the application.

3. The disclosure is objected to because of the following informalities:

A) as required by 37 CFR § 1.84(p(5)) and 37 CFR § 1.121(e) the specification lacks an explicit reference to the nature of:

(1) reference legend(s):

(a) 408 of fig. 4 as fig. 4 is described in the paragraphs:

(1) at page 27, lines 1-15, "A technique for dynamic ... 400 in FIG. 4 ... 204 sends a main web page to the client 108.";

(2) between page 34, line 22, and page 36, line 4, "In stage 404 (FIG. 4), the user ... queries the database 225 store in memory 112."; and

(3) between page 39, line 3, and page 41, line 2, "To receive a dynamic price ... without being charged again for the item.";

(b) 1734 of fig. 17 in the paragraph between page 36, line 5, and page 37, line 2, "An example of a search ... selecting link 1732, the user can purchase and download the work.";

(c) 2302 of fig. 23 in the paragraph between page 38, line 8, and page 39, line 2, "As depicted in FIG. 23 ... similar hierarchical page formats for accessing content."; and

(d) 2718 of fig. 27 in the paragraph between page 56, line 22, and page 57, line 21, "When in stage 2710 ... based on a different demand curve."

In this regard, it is noted that merely mentioning a number with out mentioning the device or operation of the step relies on the drawing to provide support for the disclosure and not to aid in the understanding of the invention, as is the purpose of the drawings (37 CFR § 1.81(a,b)).

B) the following errors have been noted in the specification:

(1) as can be seen in figs. 30A, 30B, 30C, 30D & 30E, the brief description of the drawings at page 7, line 3, as amended September 23, 2002, "FIGS. 30A-E show a diagrammatic view of data flow between database servlets in the FIG. 2 system.", lacks an explicit reference to each or these figures as required by 37 CFR § 1.74.

(2) as can be seen in figs. 30A, 30B, 30C, 30D & 30E, and from the context of the brief description of the drawings at page 7, line 3, as amended September 23, 2002, "FIGS. 30A-E show a diagrammatic view of data flow between database servlets in the FIG. 2 system.", at line 1 of this paragraph "30A-E" should be either --30A, 30B, 30C, 30D & 30E--, or --30A-30E--.

(3) as can be seen in fig. 1 and from the context of the paragraph between page 9, line 1, and page 10, line 21, "The dynamic pricing system 102 ... memory 114 may be ... the memory 112 further includes removable memory 114. The ... or other removable memory types.", at line 39 of this paragraph "memory 114" should be -memory 112--.

(4) as can be seen in figs. 1 & 2, and from the context of the paragraph between page 15, line 11, and page 16, line 7, "A detailed illustration ... pricing

system 102 ... client computer 108 ... pricing system 108 ... and PERL to name a few.”, at line 5 of this paragraph “108” should be -102--.

(5) as can be seen in fig. 17, and from the context of the paragraph between page 36, line 5, and page 37, line 2, “An example of a search ... selecting link 1732, the user can purchase and download the work.”, at line 20 of this paragraph “1732” should be -1734--.

(6) as can be seen in fig. 23, and from the context of the paragraph between page 38, line 8, and page 39, line 2, “As depicted in FIG. 23 ... a type portion 2304 ... similar hierarchical page formats for accessing content.”, at line 5 of this paragraph “2304” should be -2302--.

(7) as can be seen from equation 15, and from the context of the paragraph at page 52, lines 8-13, “In stage 2610, ... (N=10). Equation 13 below illustrates how the average time delay is calculated.”, at line 6 of this paragraph “13” should be -15--.

(8) as can be seen in fig. 27, and from the context of the paragraph between page 56, line 22, and page 57, line 21, “When in stage 2710 ... based on a different demand curve.”, at line 5 from the end of this paragraph “2708” should be -2718--.

(9) as can be seen in figs. 30A, 30B, 30C, 30D & 30E, and from the context of the paragraph at page 64, lines 7-12, as amended September 23, 2002, “As shown in FIGS. 30A-E, each ... arrow 3008, can be returned to servlet 3002.”, at line 1 of this paragraph “30A-E” should be either --30A, 30B, 30C, 30D & 30E--, or --30A-30E--.

(10) as can be seen in fig. 30C and from the context of the paragraph between page 65, line 15, and page 66, line 2, “As illustrated in FIG. 30C ... media cache (arrow 3036) ... to the calling file server 210.”, at line 9 of this paragraph “3036” should be -3038--.

(11) the disclosure lacks an explicit reference to fig. 30B as required by 37 CFR § 1.74, in the paragraphs between page 64, line 7, and page 68, line 9,

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as amended September 23, 2002, "As shown in FIGS. 30A-E, each ... compared to the corresponding pricing thread 3052."

(12) as can be seen in fig. 33, applicant's first reference to reference number 3314 which designates the "submit" button in the paragraph between page 70, line 12, and page 71, line 3, "To submit the work, the content supplier 3314 selects submit button 3314, ... a submission by selecting cancel button 3316.", is confusing.

C) the subject matter of claims 14 & 71, in regard to applicant's reference to using the specific range of a 1% price difference lacks antecedent basis within the specification as required by 37 CFR § 1.75(d1).

Appropriate correction is required.

4. The specification and drawings have not been checked to the extent necessary to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification or drawings. Applicant should note the requirements of 37 CFR § 1.74, § 1.75, § 1.84(o,p(5)), § 1.121(a)-1.121(f) & § 1.121(h)-1.121(i).

5. Claims 14 & 71 are rejected under 35 U.S.C. § 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

5.1 The subject matter of claims 14 & 71, in regard to applicant's reference to using the specific range of a 1% price difference lacks antecedent basis within the specification as required by 37 CFR § 1.75(d1).

5.2 Claims not specifically mentioned above, inherit the defects of the base claim through dependency. For the above reason(s), applicant has failed to particularly point out what is regarded as the invention.

6. 35 U.S.C. § 101 reads as follows:

"Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter or any new and useful improvement thereof, may obtain a patent therefore, subject to the conditions and requirements of this title".

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6.1 Claims 51-57 & 107-109 are rejected under 35 U.S.C. § 101 because the invention as claimed is directed to non-statutory subject matter.

6.1.1 The instant claims recite a system/device, (claims 51-57 & 107-109), which has a practical application in the technological arts, and which does not merely define either a computer program, a data structure, non-functional descriptive material, (i.e. mere data) or a natural phenomenon. Hence, the instant claims merely define device that contains a series of steps that could be but are not necessarily to be performed on a computer.

6.1.2 It is further noted that applicant has not recited a specific machine since the operations recited in the claim are merely to illustrate the operations of the instant invention since these operations are not in fact implemented by a processor/computer. Hence, applicant envisions the invention as recited in claims 51-57 & 107-109 as a disembodied storage device, i.e. memory, that stores a computer program as a non-functional data structure. Such a disembodied storage device is not a specific machine because:

A) it is not associated with a computer in such a way as to cause the computer to operate in a specific manner, (note In re Beauregard 35 USPQ2d 1383 (CAFC 1995) and the associated claims of U.S. Patent 5,710,578); and

B) a memory alone can not perform the functions recited within the claims.

Therefore, the recited disembodied storage device, which itself can not perform the functions recited within the claims as the invention, is inoperative and lacks utility for the purpose of the invention.

6.1.3 In view of the above, the invention recited in claims 51-57 & 107-109, merely describes an abstract idea of a disembodied storage device, i.e. memory, that stores a computer program as a non-functional data structure, since a disembodied storage device by itself can not produce a concrete and tangible result by performing the functions recited within the claims as the invention (State Street Bank & Trust Co. v. Signature Financial Group Inc. 47 USPQ2d 1596 (CAFC 1998)). Hence, claims 51-57 & 107-109 do not have a claimed practical application, since the disembodied storage device is inoperative and therefore lacks utility for the purpose of the invention.

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6.1.4 Nonfunctional descriptive material cannot render nonobvious an invention that would have otherwise been obvious. Cf. *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983) (when descriptive material is not functionally related to the substrate, the descriptive material will not distinguish the invention from the prior art in terms of patentability). Common situations involving nonfunctional descriptive material are:

- a computer-readable storage medium that differs from the prior art solely with respect to nonfunctional descriptive material, such as music or a literary work, encoded on the medium;

- a computer that differs from the prior art solely with respect to nonfunctional descriptive material that cannot alter how the machine functions (i.e., the descriptive material does not reconfigure the computer), or

- a process that differs from the prior art only with respect to nonfunctional descriptive material that cannot alter how the process steps are to be performed to achieve the utility of the invention.

6.1.5 Hence, claims 51-57 & 107-109 are directed to non-statutory subject matter.

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. § 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

7.1 Claims 1-8, 15-18, 21-40, 42-59, 72-86, 89-96 & 98-109 are rejected under 35 U.S.C. § 102(a) as being clearly anticipated by either the PR Newswire article dated 17 July 2000 or the PR Newswire article dated 11 October 2000.

7.1.1 In regard to claims 1-8, 15-18, 21-40, 42-59, 72-86, 89-96 & 98-109 either of the PR Newswire articles dated 17 July 2000 and dated 11 October 2000 disclose dynamically adjusting the price of an item being sold over the internet based on the demand for the item.

7.1.2 It is noted that any item could be sold by the companies using dynamic pricing.

8. The following is an Examiner's Statement of Reasons for Allowance:

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A) the prior art, for example:

(1) either the PR Newswire article dated 17 July 2000 or the PR Newswire article dated 11 October 2000 disclose dynamically adjusting the price of an item being sold over the internet based on the demand for the item.

B) however, in regard to claims 9-14, 19, 20, 41, 60-71, 87, 88 & 97 the prior art does not teach or suggest the specific manner in which the price is dynamically adjusted as recited in these claims.

9. The examiner has cited prior art of interest, for example:

A) Kurland et al (4,553,222), which discloses providing dynamically changing information over a network to clients.

B) Hunt (5,794,220), which discloses dynamically changing the price of items based on demand and profit.

C) Walker et al (6,230,150), which discloses analyzing demand for an item after the price for the item has been changed on a limited number of vending machines.

D) either Kodama et al (2001/0005835) or Kaminsky et al (2001/0047308) or Walker et al (6,341,268) or Phillips et al (2002/0116348), which disclose dynamically changing the price of an item based on the volume/demand.

E) either Aoyama (JP 2002049812) or Wang et al (2002/0133451), which disclose dynamically adjusting the price of an item being sold over the internet based on the demand for the item.

10. Claims 9-14, 19, 20, 41, 60-71, 87, 88 & 97 would be allowable if rewritten to overcome the rejection under 35 U.S.C. § 112 and to include all of the limitations of the base claim and any intervening claims. As allowable subject matter has been indicated, applicant's response must either comply with all formal requirements or specifically traverse each requirement not complied with. See 37 C.F.R. § 1.111(b) and section 707.07(a) of the M.P.E.P.

11. The shorten statutory period of response is set to expire 3 (three) months from the mailing date of this Office action.

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12. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Edward Cosimano whose telephone number is (703) 305-9783. The examiner can normally be reached Monday through Thursday from 7:30am to 6:00pm. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss, can be reached on (703)-308-2702. Any inquiry of a general nature or relating to the status of this application should be directed to the Group receptionist whose telephone number is (703) 308-1113.

12.1 The fax phone number for UNOFFICIAL/DRAFT FAXES is (703) 746-7240.

12.2 The fax phone number for OFFICIAL FAXES is (703) 305-7687.

12.3 The fax phone number for AFTER FINAL FAXES is (703) 308-3691.

04/14/03


Edward R. Cosimano
Primary Examiner A.U. 3629